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FM AMEMBASSY JAKARTA
TO RUEHC/SECSTATE WASHDC 0347
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RUEHKO/AMEMBASSY TOKYO 2612
RUEHPF/AMEMBASSY PHNOM PENH 0533
RUEHML/AMEMBASSY MANILA 3262
RUEHHI/AMEMBASSY HANOI 0630
RUEHBK/AMEMBASSY BANGKOK 8544
RUEHNE/AMEMBASSY NEW DELHI 2332
RUEHBY/AMEMBASSY CANBERRA 3168
RUEHWL/AMEMBASSY WELLINGTON 3171
RUEHGP/AMEMBASSY SINGAPORE 6346
RUCPDO/DEPT OF COMMERCE WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC

UNCLAS SECTION 01 OF 02 JAKARTA 001927

SIPDIS
SENSITIVE

DEPT FOR EAP, EAP/RSP, EAP/MTS, EAP/MLS, EAP/EP
DEPT FOR EB/IFD/OMA
DEPT ALSO FOR OES/IET AND OES/ETC/TED
USAID FOR ASIA/ELLIS AND JENNINGS
BANGKOK FOR USAID/KISSINGER
CAMBODIA FOR USAID
MANILA FOR USAID
HANOI FOR USAID
SINGAPORE FOR BAKER
STATE PASS USTR FOR EHLERS

E.O. 12598: N/A
TAGS: [ECON](#) [PHUM](#) [PREL](#) [PGOV](#) [KDEM](#) [ID](#) [BM](#)
SUBJECT: DONORS PROPOSE COLLECTIVE ACTION TO STRENGTHEN ASEAN
SECRETARIAT

REF: Jakarta 1830

1.(SBU) Summary. Representatives from the Delegation of the European Commission, AusAID, the Asian Development Bank, the Japanese Embassy, USAID's Regional Mission in Bangkok and Embassy Jakarta met on October 14 to discuss ASEAN donor coordination and communication.

The group shared common concerns regarding the ability of the ASEAN Secretariat to utilize effectively increased levels of donor funding. The group discussed the need for ASEAN to assume greater ownership in setting priorities for donor activities and in the financial management of ASEAN activities. The group also discussed sending a collective letter to ASEAN Secretary General Surin Pitsuwan requesting a meeting in early 2009 to discuss donor concerns. At a dinner to thank donors for their support of ASEAN on October 15, Secretary General Surin remarked that he is open to suggestions from donors on how to maximize the benefit of donor assistance. Mexican Ambassador to Indonesia, Melba Pria, met with Embassy to discuss benefits of becoming an official ASEAN Dialogue Partner. End Summary.

Donors Urge Greater Ownership by ASEAN

2. (SBU) Representatives from the Delegation of the European Commission (EC), AusAID, the Asian Development Bank, the Japanese Embassy, USAID's Regional Mission in Bangkok and Embassy Jakarta met on October 14 to discuss ASEAN donor coordination and communication.

The group raised concerns that member countries have failed to empower the ASEAN Secretariat to make decisions about ASEAN's increasing number of goals, activities and donor programs (reftel). The group noted that the ASEAN Charter does not provide significant new funding streams or staff levels for the ASEAN Secretariat, creating skepticism about the ability of the ASEAN Secretariat to achieve its policy goals and effectively utilize increased donor funding. All participants expressed a desire for greater budgetary transparency on the part of ASEAN. Donors present at the meeting worried that ASEAN's lack of ownership of its own funding structure

or project priorities will create a long-term dependence on donors.

Donors Propose Joint Letter to Secretary General

13. (SBU) The meeting participants discussed mechanisms by which dialogue partners could collectively encourage greater transparency and increased prioritization of policy goals by ASEAN. The EC proposed that dialogue partners jointly request a meeting on strengthening the ASEAN Secretariat and improving ASEAN's transparency with the incoming ASEAN member country Permanent Representatives in early 2009. [Note: Each of the ten member countries will assign a Permanent Representative to the ASEAN Secretariat in January 2009, if all ten member countries ratify the ASEAN Charter before the ASEAN Summit in December. End Note.] The meeting participants agreed to work jointly on a draft letter to Secretary General Surin outlining our concerns and calling for the Permanent Representative meeting to discuss donor issues. Each donor country will circulate the draft among its government agencies for clearance. The donors also agreed to work on a single document outlining donor activities and funding levels to improve the flow of information on donor programs.

Secretary General Hosts Informal Dinner for Donors

14. (SBU) Secretary General Surin hosted an informal dinner for donor project implementation teams in Jakarta on October 15. Surin stressed the importance of donor communication with the ASEAN Secretariat to maximize the impact of donor contributions. He also encouraged implementation teams to share information with other donors to avoid redundancy across their programs. Surin is open to

JAKARTA 00001927 002 OF 002

suggestions from donors on how to strengthen the ASEAN Secretariat and improve the effectiveness of donor assistance. Surin asserted that ASEAN is on the verge of shifting toward a rules based organization, which will improve the organization's ability to enforce agreements and implement policy goals. Surin thanked donors for their ongoing efforts to train and support ASEAN Secretariat staff. In his view, a strong ASEAN Secretariat is critical to achieving ASEAN integration and to maintaining a unified ASEAN Community.

Mexico Expresses Interest in Formal ASEAN Ties

15. (SBU) Mexican Ambassador to Indonesia Melba Pria met with the Embassy recently to discuss the US experience as formal ASEAN dialogue partner. Mexico hopes to become an ASEAN dialogue partner in the near future, although Ambassador Pria noted that ASEAN has been slow to respond to her request for formal discussions. Mexico is seeking closer ties with Southeast Asia in an effort to diversify its trade relationship. External trade with the United States currently accounts for over 90 percent of total Mexican trade, according to Ambassador Pria.

HUME